

GOVERNMENT REFORM AND RESTRUCTURING MISSION

The Mission of the Commission on Government Reform & Restructuring is to:

1. Identify opportunities for creating efficiencies in state government, including streamlining, consolidating, or eliminating redundant and unnecessary agency services, governing bodies, regulations and programs;
2. Explore innovative ways to deliver state services at the lowest cost and best value to Virginia taxpayers;
3. Seek out means to more effectively and efficiently perform core state functions, including potential privatization of government operations where appropriate, and restore focus on core mission-oriented service;
4. Examine ways for state government to be more transparent, user friendly and accountable to the citizens of the Commonwealth.

HOW GOVERNOR McDONNELL DEFINES A SUCCESSFUL COMMISSION

The Commission will succeed if recommendations are implemented in the next 3 ½ years through executive, legislative and administration action to:

1. Reduce the overall scope of government through either the elimination of unnecessary state functions or by privatization
2. Cut state government costs
3. Make government more transparent, open and accountable to the citizens of Virginia
4. Simplify the process for citizens to access government services
5. Enhance Virginia's standing as the "Best Managed State" in the nation
6. Ensure more taxpayer dollars are dedicated to effectively functioning core services like public safety, education and transportation and decrease administrative and overhead costs.
7. Maintain Virginia's longstanding commitment to the Dillon Rule while reducing unfunded mandates on localities and providing local governments with more flexibility to manage the operational needs in their jurisdictions
8. Consolidate and unify the disparate back office functions found throughout state agencies and ensure communication and data sharing among all areas of government
9. Improve Virginia's attractiveness and competitiveness to investors and employers
10. Restore the long term fiscal health of the Commonwealth of Virginia
11. Improve customer service, responsiveness and helpfulness of state government functions.

COMMITTEE STRUCTURE

This Commission will continue to make reform recommendations to Virginia's government until the end of the McDonnell Administration. As Governor McDonnell says, the end state is "Reform, not a Report." The bulk of the Commission's work during the next three years will be carried out by four committees. The task of the committees is to develop recommendations in their designated area of operations by receiving ideas, examining the viability of those ideas and supporting data and research. Once satisfied, it will translate those ideas into a formal recommendation to the Commission. The four committees are as follows:

1. Government Simplification & Operations
Chair: Delegate Glenn Oder
2. Intergovernmental Relations
Chair: Mayor Paul Fraim
3. Customer Service, Performance, Accountability & Transparency
Chair: Heather Cox
4. Consolidation of Shared Services & Enterprise Architecture
Chair: Ron Tillett

<i>Delegate G. Glenn</i>	<i>Oder (Chair)</i>	Simplification/Operations
<i>Speaker William</i>	<i>Howell</i>	Simplification/Operations
<i>William</i>	<i>Eggers</i>	Simplification/Operations
<i>Howard</i>	<i>Estes</i>	Simplification/Operations
<i>Bobbie</i>	<i>Kilberg</i>	Simplification/Operations
<i>Hon. Alex</i>	<i>McMurtrie</i>	Simplification/Operations
<i>Gilbert</i>	<i>Shelton</i>	Simplification/Operations
<i>Senator Mary Margaret</i>	<i>Whipple</i>	Simplification/Operations
<i>Mayor Paul</i>	<i>Fraim (Chair)</i>	Intergovernmental Relations
<i>John O. "Dubby"</i>	<i>Wynne</i>	Intergovernmental Relations
<i>Councilwoman Alicia</i>	<i>Hughes</i>	Intergovernmental Relations
<i>Scott</i>	<i>Pattison</i>	Intergovernmental Relations
<i>Geoff</i>	<i>Segal</i>	Intergovernmental Relations
<i>Senator L. Louise</i>	<i>Lucas</i>	Intergovernmental Relations
<i>Delegate R. Lee</i>	<i>Ware</i>	Intergovernmental Relations
<i>Heather</i>	<i>Cox (Chair)</i>	Customer Service
<i>Secretary Lisa</i>	<i>Hicks-Thomas</i>	Customer Service
<i>Councilwoman Suzy</i>	<i>Kelly</i>	Customer Service
<i>Bruce</i>	<i>Gemmill</i>	Customer Service
<i>Marcia</i>	<i>Gilliam</i>	Customer Service
<i>Hon. Maurice</i>	<i>McTigue</i>	Customer Service
<i>Delegate Bob</i>	<i>Brink</i>	Customer Service
<i>Senator Mark</i>	<i>Obenshain</i>	Customer Service

<i>Hon. Ron</i>	<i>Tillett (Chair)</i>	Shared Services
<i>Secretary Ric</i>	<i>Brown</i>	Shared Services
<i>Hon. Benjamin</i>	<i>Lambert</i>	Shared Services
<i>Sandy</i>	<i>Liddy-Bourne</i>	Shared Services
<i>Michelle</i>	<i>Jenkins</i>	Shared Services
<i>Hon. Jack</i>	<i>Rust</i>	Shared Services
<i>Senator Ryan</i>	<i>McDougle</i>	Shared Services

RECOMMENDATION PROCESS

All recommendations proposed by the public to the Commission will undergo a rigorous review and approval process. The Commission will likely adopt many recommendations, some requiring legislation, others requiring executive action. All recommendations must be supported by verifiable and accurate statistics and data.

All ideas submitted will be considered and documented. To the extent possible, the Commission and its committees should use analysis based on outcomes to inform decision making and in structuring recommendations. In considering recommendations, the Commission should identify whether the recommendation is for immediate implementation or whether it has an intermediate or long-term horizon. Recommendations should be narrowly worded and focus on specific, actionable items. Omnibus recommendations should be distilled into their constituent parts before deliberating or voting.

Recommendations will be prioritized and evaluated according to:

Speed of Implementation	Cost Savings Potential	Efficiency Improvement	Increasing Transparency, Accountability, Customer Service or Performance
Short Term <i>(less than 6 months)</i>			
Medium Term <i>(6 - 12 months)</i>			
Long Term <i>(12 months - End of McDonnell Administration)</i>			

GOVERNMENT SIMPLIFICATION & OPERATIONS COMMITTEE

Scope of Work

Mission: The purpose of this committee is to examine the government's agencies and organizations to identify duplicative activity, redundant activity, best practices, and operational efficiencies and to make appropriate recommendations to the Commission.

This paper outlines the scope of the work this committee is expected to undertake but does not limit the committee to other avenues of inquiry if the members think they will be helpful to the final outcome of the Commission's deliberations.

Action Items

- An agency review should look at the original enabling legislation of the organization, any subsequent amendments and the current business activity of the agency to identify core business and non-core business.
- The review should look at whether the current core business of the agency duplicates the core business of any other government agency and make appropriate recommendations.
- The review should look at non core business and make recommendations about the continuation, termination or transfer of those functions.
- The committee should look at the regulation-making powers of the agency, if any, and offer advice on the exercise of those powers, giving particular emphasis to the effect on the competitiveness of the economy of Virginia.
- The committee should give clear advice on downsizing where activities are transferred or terminated. If staff downsizing needs to occur, then that should be achieved in a timely and business-like manner. Advice should also be given on aspects of that process that might ease the transfer of staff to the private sector.
- The committee, when examining the goods and services provided by the government, should give consideration to which of these activities is a fair and reasonable charge against the taxpayer and which should be paid for by the user or consumer of those services.
- The committee will encounter a number of activities that are revenue-producing. The Commission then needs to consider whether these activities should be returned to the private sector or whether they should still be owned by the government but operated in a business-like manner. This last option may require the creation of a new hybrid organization that operates like a private sector company but remains a state owned enterprise.

Scrutiny by Outcomes

- The committee should give consideration to undertaking its work on the basis of examining outcomes. This process looks at all programs addressing a particular outcome regardless of the provider and recommends funding only those activities that produce the best results at the best price. The process can also identify, to some extent, the public benefits forgone by funding underperforming activities.
- The committee should examine each outcome area addressed by the agency and require the agency to produce evidence of the progress made against that outcome over time.
- The committee should be aware of second and third tier outcomes that might apply to some activities and take into account as it makes its decisions.

Management

- The committee should look at each organization's management structure and decision-making procedures, noting the extent of performance information used to assist decision-making.
- The committee should offer advice on structure and size for each organization, particularly where material change occurs or where the core business is redefined.
- The committee should seek to have organizations move to their new form and size rapidly.

Privatization

- The committee should develop recommendations on all aspects of privatization.
- The committee should examine pre-existing agencies or programs on privatization and competition, such as the Commonwealth Competition Council.

INTERGOVERNMENTAL RELATIONS COMMITTEE

Scope of Work

Mission: The committee is to examine the relationships between state and local government, between state and federal government and between local, state and federal government. The purpose is to improve outcomes for citizens. Governor McDonnell remains a strong supporter of the Dillon Rule and does not want to see a patchwork of taxation and regulation. However, there are many ministerial, administrative measures that can be reevaluated to ease burdens on localities. Improving transparency and eliminating unnecessary or onerous requirements should be top priorities.

This paper outlines the scope of the work this committee is expected to undertake but does not limit the committee to other avenues of inquiry if the members think it will be helpful to the final outcome of the Commission's deliberations.

Action Items

- The committee should give consideration during its investigations to the effectiveness of current law in encouraging regional cooperation, improved results and improved utilization of shared resources.
- The committee should examine whether the basis for intergovernmental relationships should move significantly towards accountability for outcomes and fewer specific controls on the use of funds.
- The committee should develop advice on the appropriate and inappropriate use of mandates by governments.
- Keeping in mind the strong support of the Dillon Rule, the committee should examine where decision-making authority currently rests for minor ministerial duties and determine whether that authority is currently being exercised by the right bodies.
- The committee should examine where accountability for results currently rests and whether that accountability is currently in the appropriate place.
- The committee should examine the current quality of disclosure at the differing levels of government. Areas of study should include the use of web-based information systems, their accessibility, their usefulness, the timeliness of the information and whether the information published allows the public to make informed decisions about the performance of their government.

- The committee should develop advice on risk management across all levels of government that reflects societal changes, economic changes and economic decline changes.

CUSTOMER SERVICE, PERFORMANCE, ACCOUNTABILITY & TRANSPARENCY COMMITTEE

Scope of Work

Mission: This committee is charged with recommending ways to integrate performance management assets into fewer portals to citizens in a user-friendly and transparent manner. The committee should examine the relationship between Virginia state government and its citizens and how to make it easier for them to interact with their government. In addition this committee is to examine government's disclosure of performance information to the public and whether that performance information fairly and accurately describes the benefits accruing to the public from government activities.

Action Items

- The committee should identify agencies that interface with the public and examine how they deliver services to citizens in terms of time, convenience, and cost.
- The committee should examine the provision of agency centers across the state, to identify duplications and seek coordination through one-stop shops (like transforming the DMV regional offices).
- The committee should look at the opportunities for greater electronic service delivery and the potential to incentivize the public to move to electronic transactions.
- The committee should give consideration during its investigations to the effectiveness of current law in providing clarity and transparency to the public.
- The committee should examine the current quality of disclosure regarding government organizations that charge fees. This examination should emphasize whether the data used to determine the fee is publically available and whether the fee charged fully recovers the cost of the service provided, or under or over-recovers.
- The committee might like to look at the technical definition of the requirement to publish. In a modern world, "publish" should mean "to make available online, in an easily readable and structured format, so that it can be searched and combined with other data." Implementing this change will yield positive reform and increase utility for taxpayers.
- The committee should look at the measures used by government agencies to see if the measure will provide information on the level of public benefit produced by this activity.
- The committee might also provide advice on where the final authority for determining acceptable measures of performance should reside.
- The committee should examine the state budget, how it is presented online and what could be done to make it more user-friendly.

INTERGOVERNMENTAL RELATIONS COMMITTEE

Scope of Work

Mission: The committee is to examine the relationships between state and local government, between state and federal government and between local, state and federal government. The purpose is to improve outcomes for citizens. Governor McDonnell remains a strong supporter of

the Dillon Rule and does not want to see a patchwork of taxation and regulation. However, there are many ministerial, administrative measures that can be reevaluated to ease burdens on localities. Improving transparency and eliminating unnecessary or onerous requirements should be top priorities.

Action Items

- The committee should give consideration during its investigations to the effectiveness of current law in encouraging regional cooperation, improved results and improved utilization of shared resources.
- The committee should examine whether the basis for intergovernmental relationships should move significantly towards accountability for outcomes and fewer specific controls on the use of funds.
- The committee should develop advice on the appropriate and inappropriate use of mandates by governments.
- Keeping in mind the strong support of the Dillon Rule, the committee should examine where decision-making authority currently rests for minor ministerial duties and determine whether that authority is currently being exercised by the right bodies.
- The committee should examine where accountability for results currently rests and whether that accountability is currently in the appropriate place.
- The committee should examine the current quality of disclosure at the differing levels of government. Areas of study should include the use of web-based information systems, their accessibility, their usefulness, the timeliness of the information and whether the information published allows the public to make informed decisions about the performance of their government.
- The committee should develop advice on risk management across all levels of government that reflects societal changes, economic changes and economic decline changes.
- The committee should examine opportunities for more shared services (e.g. heavy equipment fleet management, procurement) among localities and between the state government and localities

CONSOLIDATION OF SHARED SERVICES & ENTERPRISE ARCHITECTURE COMMITTEE Scope of Work

Mission: The role of this committee is to provide recommendations on how government can gain efficiencies of scale and achieve cost reductions through the consolidation of common systems. Its purpose is to provide for contestable pricing of services to maximize greater efficiency, improve quality and productivity, and lower costs.

Action Items

- The committee should identify those common operations that all agencies perform but need not be so. Where can consolidation and adoption of a uniform system save money and improve productivity?
- The committee should provide recommendations on how the market for services should be organized and how the ensuing contractual arrangements would be managed.

- The committee should also examine the opportunity for shared use of physical facilities and tangible assets.
- The committee should also examine the opportunity for government-wide negotiations for purchasing goods and services.
- The committee might also make recommendations on setting benchmarks for Virginia government in the use of various resources compared to other states.